LEGISLATIVE SERVICES AGENCY OFFICE OF FISCAL AND MANAGEMENT ANALYSIS

301 State House (317) 232-9855

FISCAL IMPACT STATEMENT

LS 7091 DATE PREPARED: Jan 2, 2002

BILL NUMBER: SB 500 BILL AMENDED:

SUBJECT: Alcoholic Beverage Wholesalers.

FISCAL ANALYST: John Parkey **PHONE NUMBER:** 232-9854

FUNDS AFFECTED: X GENERAL IMPACT: State

DEDICATED FEDERAL

<u>Summary of Legislation:</u> This bill allows a beer wholesaler to hold or have an interest in any number of Beer Wholesaler's permits.

Effective Date: July 1, 2002.

Explanation of State Expenditures:

Explanation of State Revenues: If this bill causes the consolidation of wholesale beer interests, it could potentially reduce the revenue the state receives from the sale and renewal of Beer Wholesaler permits. The Alcohol and Tobacco Commission (ATC) reports that there are currently 46 Beer Wholesaler permits in the state. The annual fee for a Beer Wholesaler permit is \$2,000. Revenue from the fee is paid to the state General Fund. The sale and renewal of these permits generate approximately \$92,000 in General Fund revenue each year.

Background Information: Under current law, a person or firm may obtain one Beer Wholesaler permit. The holder of a Beer Wholesaler permit is permitted to operate one warehouse. This bill would allow a person or firm to have an interest in any number of Beer Wholesaler permits and would allow a holder to include any number of warehouses under a single permit.

Explanation of Local Expenditures:

Explanation of Local Revenues:

State Agencies Affected: Alcohol and Tobacco Commission.

Local Agencies Affected:

SB 500+ 1

Information Sources: Don Okey, Excise Industry Liaison, Alcohol and Tobacco Commission, 232-2463.

SB 500+ 2